

## INFORMATION REPORT

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Delegation in Berlin

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1. According to an official memorandum sent 26 January 1950 by the Budget Bureau of the Polish Ministry of Foreign Trade in Warsaw to the Polish Trade Delegation in Berlin, funds for expenses of the Trade Delegation are transmitted bimonthly in two different ways: (a) East marks are made available through the Polish National Bank in Warsaw which has a large East mark credit in the Eastern Zone of Germany deposited in the Deutsche Notenbank accrued from sales of Polish goods in Eastern Germany in excess of German exports to Poland. The Ministry of Foreign Trade in Warsaw, whose funds are banked with the Polish National Bank, merely arranges for the Polish National Bank to transfer a certain part of its credit with the Deutsche Notenbank in Berlin to the account of the Polish Trade Delegation in Berlin. This account can be drawn against by two officials of the Trade Delegation, the chief and the treasurer. (b) The second way in which money is transmitted to the Polish Trade Delegation in Berlin is in the Polish diplomatic pouch run twice weekly between Warsaw and Berlin by UB couriers on behalf of the Polish Ministry of Foreign Affairs. Funds so transmitted are West marks and US dollars.

2. The bulk of the East marks paid to the Polish Trade Delegation in Berlin is used to pay the salaries of Delegation employees and the rental and repair fees of the Delegation establishment. West marks and dollars are used to cover the cost of office supplies unavailable in Eastern Berlin and of travel expenses of Delegation officials going on business to Western Germany, and to pay for the services of agents and informants working in Western Germany.

3. The administrative expenditures of the Polish Trade Delegation in Berlin for 1950 were tentatively established by the Budget Bureau of the Polish Ministry of Foreign Trade not to exceed the sum of 1,470,000 Polish Zloty, 3,203,580 DM East, 7,080 DM West and 1,200 US dollars. This sum is to be broken down as follows:

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720,000	41,	300,000	DM East,	3,000	DM West,	\$ 600	- Official trips
- - - -		87,000	" "	- - -		- - -	Transportation
- - - -		240,000	" "	300	" "	- - -	Rentals
- - - -		36,000	" "	600	" "	- - -	Bureau expenses
- - - -		48,000	" "	- - -		- - -	Communications
- - - -		24,000	" "	1,800	" "	- - -	Office Library
30,000	"	8,580	" "	180	" "	- - -	Miscellaneous
- - - -		60,000	" "	1,200	" "	\$ 600	Information
720,000		2,400,000	" "	- - -		- - -	Revolving Fund

"Official trips" include the fare, food and lodging of officials travelling on business to Western Germany and Poland.

"Transportation" covers all expenses connected with the maintenance of official vehicles; registration, insurance, repairs and fuel. The reason for the low cost is the fact that the Polish Trade Delegation in Berlin has some special arrangement with the Soviet Zone authorities whereby it pays only an insignificant fraction of the actual cost of gasoline and oil; details of the arrangement are unknown.

"Rentals" pay for rental and maintenance of the Delegation HqS and the garage, for fuel, electricity, and water. Procurement of new office furniture on the German market is not authorized and it has to be bought in Poland.

"Bureau expenses" cover cost of maintenance of office equipment and all official local transportation in connection with administration of the Delegation establishment. Paper and other writing and typing materials have to be procured in Poland.

"Communication" includes cost of mailing, telephone and cable services.

"Office library" expenses cover the cost of books and newspapers for purposes of information and maintenance of morale of the Delegation employees.

"Miscellaneous" expenses cover the cost of translation, bank and lawyer fees, decoration of the HqS for special occasions, and other unusual and unforeseen expenditures.

"Information" cost covers mostly fees for procurement of desired economic information on Western Germany.

"Revolving fund" is kept for the convenience of the Polish Revindication Section and of the two wood procurement agencies "Paged" (Polska Agencja Drzewna) and "CDDP" (Centrala Dostaw Drzewnych Przemyslu Handlowego). These three agencies not only procure but also transport their various articles to Poland. The cost of packing, packaging, transportation, transport conveying, inspection, and broker fees is covered by drafts from the "Revolving fund" administered by the Berlin Trade Delegation. Income from these operations and transactions is not locally figured out but when realized it is collected by the Ministry of Foreign Trade and deposited to its account; in return the Ministry of Foreign Trade constantly replenishes the "revolving fund". In the past this fund was also available to such unofficial Polish speculative agencies as "Dimex" and "Gesimex" which utilized the unstable German market to procure for the Ministry of Foreign Trade hard

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currencies and scarce trading goods. These two agencies were greatly responsible for the flooding of the Berlin black market with such items as sugar, American cigarettes, coffee and lard (mostly obtained through UNRRA). It was also through these firms (mostly "Dimex") that Poland got rid of the great amount of pre-reform German marks left in Poland by the German occupation authorities; this money was brought back to Germany and converted into marketable goods. As late as one year ago these agencies brought into Germany such sought-after items as penicillin, lard, butter, and meat and exchanged them against precision tools and machinery and US dollars. By the end of 1949 both of these agencies officially terminated their operations and closed their offices. Curiously enough, however, most of the personnel were not returned to Poland but were allowed to remain in Berlin, reportedly to operate further along the same lines but individually and not as an office.

4. Salaries. Monthly salary of official staff personnel of the Berlin Trade Delegation is determined by the civil service rating of each individual. These ratings run from I to X, from the position of a minister (I) to that of a chauffeur (X). In Berlin only the ratings IV to X are represented and their local pay has been adjusted in the following manner to their rating and position:

IV (Chief of the Delegation) - 59,000 Zl and 5,110 DM East

V (First Deputy Chief) - 52,000 Zl and 4,480 DM East

VI (Second Deputy Chief and heads of the departments)  
- 46,000 Zl and 3,920 DM East

VII (Chief of referents) - 40,000 Zl and 3,360 DM East

VIII (referents, bookkeepers, chief translators, and secretaries)  
- 35,000 Zl and 2,800 DM East

IX (assistant referents, typists and chief of chauffeurs)  
- 32,000 Zl and 2,520 DM East

X (chauffeurs) - 30,000 Zl and 2,240 DM East

In addition to the basic salaries chief of the Delegation receives 6,500 DM East "representation pay" per month and his deputies 3,600 DM East. Department heads do not get "representation pay" but 1,000 DM East "special supplementary pay."

Each official who has civil service rating is also entitled to family allotment amounting to 20% of his basic pay for his wife and 10% for each of his children.

Thus, total salaries for all 70 civil service employees of the Delegation amount to 3,437,400 Zl and 303,688 DM East per month or 41,248,800 Zl and 3,644,256 DM East per year. In addition to the staff personnel there are also 36 manual workers who receive monthly wages from 2,240 Zl and 15,000 DM East downward. The total wages of these manual workers (most of whom are Poles holding German citizenship) is 1,836,000 Zl and 219,360 DM East per year. This makes the total salary and wage pay of all Delegation employees amount to 43,084,800 Zl and 3,863,616 DM East per year.

5. According to the above figures the total annual cost of running the Polish Trade Delegation in Berlin is:

44,554,800 Zl only  
7,067,196 DM East  
7,080 DM West and  
11,200 US Dollars

6. The present status and possibly the composition and even the work and operational procedures of the Polish Trade Delegation in Berlin (together with the other two official Polish organizations in Berlin, the Consulate General and the Polish Military Mission) is expected

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shortly to change. Reason for this supposition is the arrival in Berlin on 17 February 1950 of Jan Izydorczyk. Izydorczyk has the rank of an ambassador and his full official title is "Chief of the Diplomatic Mission of the Polish Republic." In accordance with this rank and title Izydorczyk was met by the DDR State Secretary Anton Ackermann; later at an official reception attended by top DDR officials and in company of the Polish Consul General (S. G. Sosnowski), Chief of the Polish Trade Delegation in Berlin (Stanislaw Ironiewicz), Chief of the Polish Military Mission to Germany (Brig. Gen. Jakob Prawin), Polish Military Attache (Lt. Col. Mieczyslaw Smal) and other Polish representatives in Germany Izydorczyk presented his credentials to the DDR President, Wilhelm Pieck. As an ambassador, Izydorczyk automatically becomes the head of all official Polish representative bodies in Germany. However, according to our latest information, Izydorczyk (who is accredited only to the DDR) will not try to provoke the Western Allies by subjecting General Prawin (who is accredited to all of Germany through the now inoperative Allied Control Council) to his authority. Izydorczyk is expected to take over direction of all agencies in the Soviet Zone (the Berlin General office, the Polish Trade Delegation in Berlin and sections of the Polish Military Mission) but leave General Prawin in command of the bulk of the Polish Military Mission in Berlin and of all official Polish organizations in Western Germany.

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